

CONGRESSIONAL BUDGET OFFICE PAY-AS-YOU-GO ESTIMATE

October 26, 1998

S. 417 Energy Conservation Reauthorization Act of 1998

As cleared by the Congress on October 15, 1998

S. 417 would reauthorize various energy conservation programs of the Department of Energy (DOE) through fiscal year 2003. Because the act's provisions on alternative motor fuels could affect direct spending, pay-as-you-go procedures would apply; however, CBO estimates that any such effects would be negligible.

S. 417 would give managers of motor vehicle fleets for federal agencies credit for purchasing an alternatively fueled vehicle if they switch from diesel to biodiesel and diesel fuel mixtures to operate their existing vehicles. Agencies could save money if they chose to use biodiesel fuel mixtures in existing vehicles instead of purchasing the types of alternatively fueled vehicles they have acquired in the past. As a result, these provisions could result in reduced spending for agencies, such as the Bonneville Power Administration and the Tennessee Valley Authority, that have direct spending authority. CBO estimates, however, that any net effect on direct spending by such agencies would not be significant.

The CBO staff contact for this estimate is Kim Cawley. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.